

**THE BOARD OF COMMISSIONERS
OF
PUBLIC UTILITY DISTRICT NO. 1 OF FRANKLIN COUNTY, WASHINGTON**

MINUTES OF THE DECEMBER 9, 2025
REGULAR COMMISSION MEETING

The Board of Commissioners of Public Utility District No. 1 of Franklin County, Washington held a regular meeting at 1411 W. Clark St., Pasco, WA, on December 9, 2025, at 8:30 a.m. Remote technology options were provided for the public to participate.

Those who participated from the District via remote technology or in person for all or part of the meeting included Commissioner Roger Wright, President; Commissioner Bill Gordon, Vice-President; Commissioner Pedro Torres, Secretary; Victor Fuentes, General Manager/CEO; Katrina Fulton, Finance and Customer Service Director; Rosario Viera, Public Information Officer; Mark Hay, Engineering & Operations Director; Tyler Whitney, General Counsel; Ben Hooper, Superintendent of Transmission & Distribution; Casey Roberts, Field Engineer II; and Jessica Marshall, Executive Assistant.

OPENING

Commissioner Wright called the meeting to order at 8:30 a.m. and led the Pledge of Allegiance.

PUBLIC COMMENT

Commissioner Wright called for public comment and no public was present.

COMMISSIONER REPORTS

Commissioner Gordon reported that:

- He would like to incorporate a stretch break during future Commission Meetings.

Commissioner Torres reported that:

- He attended the Pasco Chamber Non-Profit Showcase this week and shared an invitation from the Tri-Cities Chaplaincy to participate in a professional day at Orion High-School. He forwarded the information to Ms. Viera as well.
- He received a customer email in response to his Commissioner's Corner article in the most recent Hotline Newsletter.

Commissioner Wright reported that:

- He reviewed brief NoaNet updates and expressed interest in having Commissioner Torres attend a future NoaNet Board Meeting.
- He expressed interest in hearing information relayed during this week's Energy Northwest Board meeting regarding incentive pay.

- He would like staff to have information available for District customers interested in installing backup generators at their homes.

EMPLOYEE MINUTE

Commissioner Wright welcomed Mr. Roberts and asked general questions about his current position, tasks his position entails, favorite parts of the job, his professional growth at the District and what safety improvements or changes he has seen over the course of his employment.

Mr. Roberts has been with the District for seven years and briefly described his job duties within the Engineering Department. Mr. Roberts noted his favorite parts of the job include designing a reliable system, assisting customers who are completing projects on their own, and receiving positive feedback from customers about their experience working with the District.

A brief discussion was held on backup generators, solar battery storage, and windmills for residential properties.

Commissioner Wright reported that the Commission believes strongly in Safety First and asked if there were any improvements that could be made. Mr. Roberts noted the administration office carpet could be repaired in some areas. Mr. Fuentes reported that staff are aware of the carpet tile issues and are looking into the repair of this.

Commissioner Wright thanked Mr. Roberts for his attendance.

CONSENT AGENDA

Commissioner Wright reviewed a question he had regarding a vendor name from the November 2025 Check Registers included in the commission packet.

Motion by Commissioner Torres, seconded by Commissioner Gordon approving the Consent Agenda as follows.

MOTION PASSED UNANIMOUSLY.

- 1) To approve the minutes of the November 12, 2025 Regular Commission Meeting.
- 2) To approve payment of expenditures for November 2025 amounting to \$11,136,656.96 as audited and certified by the auditing officer as required by RCW 42.24.080, and as reviewed/certified by the General Manager/CEO as required by RCW 54.16.100, and expense reimbursement claims certified as required by RCW 42.24.090 and as listed in the attached registers and made available to the Commission for inspection prior to this action as follows:

Expenditure Type:	Amounts:
Direct Deposit Payroll – Umpqua Bank	\$ 525,763.37
Wire Transfers	6,586,734.51
Automated and Refund Vouchers (Checks)	997,271.40
Direct Deposits (EFTs)	3,029,532.36
Voids	(2,644.68)
Total:	\$11,136,656.96

3) To approve the Write Offs in substantially the amount listed on the December 2025 Write Off Report totaling \$5,032.43.

Commissioner Wright requested Agenda Item 14 be moved to the end of today's Commission Meeting. Commissioners Gordon and Torres concurred with Commissioner Wright's request.

AGENDA ITEM 6, RE-OPENING THE 2026 BUDGETS PUBLIC HEARING, PRESENTING THE FINAL 2026 OPERATING AND CAPITAL BUDGETS, CLOSING THE PUBLIC HEARING AND ADOPTING A RESOLUTION APPROVING THE 2026 OPERATING AND CAPITAL BUDGETS

Commissioner Wright re-opened the public hearing for the 2026 Operating and Capital Budgets and called for public comment and none was provided. He called on Ms. Fulton for presentation of the agenda item.

Ms. Fulton presented the final 2026 Operating Budget and 2026 Capital Budget (Attachments A and B of the Agenda Item), and reviewed updates based on final power forecast information. She noted that the budgets meet the District's financial policy metrics. Staff reviewed their recommendation.

Motion by Commissioner Gordon, seconded by Commissioner Torres closing the 2026 Operating and Capital Budgets Public Hearing and adopt Resolution 1441 as presented.
MOTION PASSED UNANIMOUSLY.

AGENDA ITEM 7, ADOPTING A RESOLUTION APPROVING THE PRE-QUALIFICATION OF ELECTRICAL AND FIBER OPTIC CONTRACTORS FOR CALENDAR YEAR 2026

Ms. Fulton introduced the agenda item and reviewed the background information as reported in the Agenda Item Summary included in the meeting packet. She noted this is an annual agenda item and reviewed new contractors for 2026 included in Exhibit A of Resolution 1442.

Motion by Commissioner Torres, seconded by Commissioner Gordon adopting Resolution 1442 as presented.

MOTION PASSED UNANIMOUSLY.

AGENDA ITEM 8, APPROVING THE CONSERVATION TARGETS AS DESCRIBED IN THE CONSERVATION POTENTIAL ASSESSMENT REPORT FOR 2026-2045

Ms. Fulton introduced the agenda item and reviewed the background information as reported in the Agenda Item Summary included in the meeting packet.

The measures and information used to develop the District's preliminary conservation potential were reviewed during the October 28, 2025 Commission Meeting and have been posted on the District's website. Ms. Fulton reviewed staff's recommendation.

Ms. Viera reported that the District hosted two weatherization workshops in Connell and Pasco and plans to follow up with customers who had expressed interest in attending but did not attend.

Motion by Commissioner Gordon, seconded by Commissioner Torres approving the 2-year and 10-year conservation targets as presented in the Conservation Potential Assessment 2026 to 2045 Final Report.

MOTION PASSED UNANIMOUSLY.

AGENDA ITEM 9, AUTHORIZING THE GENERAL MANAGER/CEO OR HIS DESIGNEE TO APPROVE PAYMENTS FOR AUTOMATED MAILING SERVICES, BILL INSERTS, ON-LINE PAYMENT PROCESSING AND ANNUAL SOFTWARE MAINTENANCE FOR 2026 PAYABLE TO THE NATIONAL INFORMATION SOLUTION COOPERATIVE

Ms. Fulton introduced the agenda item and reviewed the background information as reported in the Agenda Item Summary included in the meeting packet.

She noted this is an annual agenda item brought forward for Commission consideration and reviewed the services to be provided within the 2026 contract with National Information Solutions Cooperative (NISC). Ms. Fulton reviewed the reasons for the contract increase, and a brief discussion was held regarding vendors the District used prior to transitioning services over to NISC.

Motion by Commissioner Torres, seconded by Commissioner Gordon authorizing the General Manager/CEO or his designee to approve 2026 payments for the services as described, payable to NISC, in an amount not to exceed \$667,461.

MOTION PASSED UNANIMOUSLY.

AGENDA ITEM 10, APPROVING A REVISED POLE ATTACHMENT RATE SCHEDULE

Ms. Fulton introduced the agenda item and reviewed the background information as reported in the Agenda Item Summary included in the meeting packet.

A discussion was held on the operation and maintenance of a pole. Ms. Fulton reviewed the data used to determine the proposed pole attachment rate and reviewed staff's recommendation.

Ms. Viera reviewed current federal legislation on pole attachments. She noted that staff sent

a letter to Congresswoman Kim Schrier opposing the expansion of Federal Jurisdiction over Public Power Poles (Section 102 of H.R. 2289) and signed onto a similar letter submitted by WPUDA.

Motion by Commissioner Gordon seconded by Commissioner Torres approving the Revised Pole Attachment Rate Schedule as presented.

MOTION PASSED UNANIMOUSLY.

AGENDA ITEM 11, ADOPTING A RESOLUTION APPROVING A REVISED BROADBAND SERVICES AND FACILITIES RATE SCHEDULE AND SUPERSEDING RESOLUTION 1341

Mr. Hay introduced the agenda item and reviewed the background information as reported in the Agenda Item Summary included in the meeting packet.

Staff worked with NoaNet and Benton PUD to update the Broadband Services and Facilities Rate Schedule, which was last revised in August 2020. Mr. Hay reviewed staff's recommendation.

Motion by Commissioner Torres, seconded by Commissioner Gordon adopting Resolution 1443 as presented.

MOTION PASSED UNANIMOUSLY.

AGENDA ITEM 12, AUTHORIZING THE GENERAL MANAGER/CEO OR HIS DESIGNEE TO EXECUTE A CONTRACT EXTENSION WITH BOYD'S TREE SERVICES, LLC FOR TREE TRIMMING SERVICES

Mr. Hay introduced the agenda item and reviewed the background information as reported in the Agenda Item Summary included in the meeting packet. Staff reviewed their recommendation.

Motion by Commissioner Gordon, seconded by Commissioner Torres authorizing the General Manager/CEO or his designee to execute a contract extension with Boyd's Tree Services, LLC for year three funding, effective January 1, 2026 through December 31, 2026, in the amount not to exceed \$290,000.

MOTION PASSED UNANIMOUSLY.

AGENDA ITEM 13, AUTHORIZING THE GENERAL MANAGER/CEO OR HIS DESIGNEE TO APPROVE CONTINUING THE UTILIZATION OF THE WASHINGTON STATE DEPARTMENT OF ENTERPRISE SERVICES CONTRACT FOR 2026 MISCELLANEOUS FIBER DOCK CREW PROJECTS

Mr. Hay introduced the agenda item and reviewed the background information as reported in the Agenda Item Summary included in the meeting packet. Staff reviewed their recommendation.

Motion by Commissioner Torres, seconded by Commissioner Gordon authorizing the General Manager/CEO or his designee to approve continuing the utilization of the Washington State

DES Contract 05620 for 2026 Miscellaneous Fiber Dock Crew Projects in an amount not to exceed \$622,000, including applicable taxes.

MOTION PASSED UNANIMOUSLY.

AGENDA ITEM 15, ADOPTING A RESOLUTION APPROVING THE 2026 REGULAR COMMISSION MEETING SCHEDULE AND APPOINTING THE 2026 BOARD OF COMMISSION OFFICERS

Mr. Fuentes introduced the agenda item and reviewed the background information as reported in the Agenda Item Summary included in the meeting packet. Staff reviewed their recommendation.

Motion by Commissioner Wright, seconded by Commissioner Torres adopting Resolution 1444 as presented.

MOTION PASSED UNANIMOUSLY.

AGENDA ITEM 16, PROVIDING A FINAL UPDATE AND APPROVING CLOSURE OF THE DISTRICT'S 2024-2025 OPERATING PLAN

Mr. Fuentes introduced the agenda item and reviewed the background information as reported in the Agenda Item Summary included in the meeting packet.

Mr. Fuentes provided a final update on several tactics completed within the 2024-2025 Operating Plan. A brief discussion was held regarding facility planning, which continued into Agenda Item 17. Mr. Fuentes reviewed staff's recommendation.

Motion by Commissioner Torres, seconded by Commissioner Gordon approving the closure of the District's 2024-2025 Operating Plan.

MOTION PASSED UNANIMOUSLY.

AGENDA ITEM 17, APPROVING THE 2026-2027 OPERATING PLAN

Mr. Fuentes introduced the agenda item and reviewed the background information as reported in the Agenda Item Summary included in the meeting packet.

Commissioner Wright requested that a tactic for facility planning be added to the 2026-2027 Operating Plan. Staff will include this tactic under the reliability guiding principle. Mr. Fuentes reviewed staff's recommendation to approve the 2026-2027 Operating Plan, including the addition of the facility planning tactic.

Motion by Commissioner Gordon, seconded by Commissioner Torres approving the Operating Plan for years 2026-2027, to include a tactic for facility planning.

MOTION PASSED UNANIMOUSLY.

At 10:00 a.m., Commissioner Wright called for a 10-minute break.

At 10:10 a.m., Commissioner Wright reconvened the Commission Meeting.

MANAGEMENT REPORTS

GENERAL MANAGER/CEO REPORT

Mr. Fuentes reported that:

- He plans to close the Administration and Operation offices two hours early on Christmas Eve per District Policy. The Operations building will close at 2:30 p.m., and Administration offices will close at 4:00p.m.
- He participated in meetings with the Public Power Council regarding the Residential Exchange Credit process and will keep the Commissioners updated as more information becomes available.
- With the 2026 Operating and Capital Budgets approved, he requested the Commission hold a discussion on the 2026 dues and campaign contribution for Northwest RiverPartners (NWRP), which was included in the 2026 budget based on previous conversations. A brief discussion was held on the agency and campaign. The Commissioners concurred with staff's recommendation to continue membership with NWRP and contribute toward the campaign at the District's budgeted amount.

Commissioner Torres had a phone call with NWRP staff along with Mr. Fuentes regarding questions related to fish runs and dams. A brief discussion was held on having NWRP attend a Commission Meeting at least once a year to provide updates.

FINANCE & CUSTOMER SERVICE DIRECTOR REPORT

Ms. Fulton reported that:

- The October 2025 KPI's were included in the commission packet, and she reviewed pertinent slides from within the report.
- Staff are in negotiations with Powerex for their contract and will return to a future commission meeting with updates.
- The Nine-Canyon Wind contract will be brought to a future Commission Meeting.
- Staff reviewed the internal process for conducting meter audits.
- Staff performed an invoice audit on a line item from the November 2025 Check Register included in the commission packet.

ENGINEERING & OPERATIONS DIRECTOR

Mr. Hay reported that:

- He provided a brief update on the outage highlighted in the October 2025 KPI's included in the commission packet. A brief discussion was held on the Engineering Department.

PUBLIC INFORMATION OFFICER

Ms. Viera reported that:

- The WPUDA Government Relations and Communications Committee has formed a Public Service Announcement (PSA) group.

- NWRP has formed a bilingual committee and is currently translating its content and flyers into Spanish.
- Staff sent a response to the customer Commissioner Torres mentioned during his Commissioner Report earlier in today's Commission Meeting.
- She received positive feedback from the Pasco Chamber board members regarding Mr. Fuentes' State of the PUD presentation.
- The District is hosting a Christmas breakfast for employees on December 16th at the Operations Building. Ms. Viera invited the Commissioners to attend if their schedules allow.

EXECUTIVE SESSION

At 10:50 a.m., Commissioner Wright called for an executive session to conclude at 11:10 a.m. He reported that the purpose of the executive session were the following reasons:

- RCW 42.30.110(1)(i): *to discuss with legal counsel representing the agency matters relating to potential litigation.*
- RCW 42.30.110(1)(g): *to review the performance of a public employee.*

At 11:10 a.m., Commissioner Wright extended the executive session to conclude at 11:20 a.m., for the same two reasons listed previously.

At 11:20 a.m., Commissioner Wright extended the executive session to conclude at 11:25 a.m., for the same two reasons listed previously.

At 11:25 a.m., Commissioner Wright extended the executive session to conclude at 11:30 a.m., for the same two reasons listed previously.

At 11:30 a.m., Commissioner Wright extended the executive session to conclude at 11:35 a.m., for the same two reasons listed previously.

At 11:35 a.m., Commissioner Wright ended the executive session and reconvened the regular meeting.

AGENDA ITEM 14, AUTHORIZING THE GENERAL MANAGER/CEO OR HIS DESIGNEE TO APPROVE ADDITIONAL FUNDING FOR PARAMOUNT COMMUNICATIONS INC. CONTRACT 10291 FOR THE LABOR FOR FIBER-TO-THE-HOME PROJECT

Mr. Hay introduced the agenda item and reviewed the background information as reported in the Agenda Item Summary included in the meeting packet.

Commissioner Wright reviewed and recommended an amendment to staff's proposed motion, replacing the version that was provided in the commission packet for consideration.

Motion by Commissioner Wright, seconded by Commissioner Torres authorizing the General Manager/CEO or his designee to review and approve additional funding up to \$400,000 to

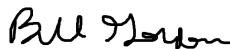
Contract 10291 Labor for Fiber-To-The-Home Project for a new not to exceed amount of \$2,777,469.

MOTION PASSED UNANIMOUSLY.

With no further business to come before the Commission, Commissioner Wright adjourned the regular meeting at 11:38 a.m. The next regular meeting will be January 27, 2026, and begin at 8:30 a.m. The meeting will be at the District's Auditorium located at 1411 W. Clark Street, Pasco, WA. Remote technology options will be provided for members of the public to participate.

CLOSED SESSION

The Board of Commissioners entered into a closed session at 11:38 a.m. to discuss collective bargaining matters with staff, as permitted by RCW 42.30.140.



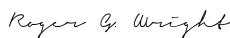
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William Gordon, President



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Pedro Torres, Jr., Vice President



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Roger Wright, Secretary